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18 APR 1983

MEMORANDUM FOR: Director of Security

FROM:

Policy and Plans Group

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SUBJECT: SECOM Agenda for Meeting of 20 April 1983

1. According to the formal agenda, the meeting will feature only one action item, changes to DCID 1/7 to satisfy points raised by the Office of General Counsel. The changes are specified in the Chairman's memorandum of 11 April 1983 in paragraphs 1a., b., and c.

° 1a. precludes use of ORCON-controlled material through "taking investigative action, or in any other manner" without advance permission from the originator. This corrects a practice that is carried on and is not addressed in the Directive. The change is of direct interest to the Office of Security and should be supported.

° 1b. represents a legal nicety that would permit continuation of controlled relief from the third agency rule. The suggested revision sounds authoritarian in that the DCI would be directing "consent." I don't think he can do that because consent is contingent on agreement and freedom of choice. It is suggested the second sentence of Section 3b. of the draft revision should read "Accordingly, Intelligence Community organizations, by virtue of agreement among the separate members, consent, etc."

° 1c. expands the definition of intelligence by adding mention of protective security. The latter related to both intelligence and counter-intelligence and should be added.

2. As you know, DCID 1/7 has been referred to the Compartmentation Subcommittee for a definitive proposal on the status of Federal Contract Research Centers. DIA obtained a waiver for one

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such establishment and has submitted a waiver request for another. A recommended position for the CIA representative to the Compartmentation Subcommittee is attached. It is not likely the issue will be raised at the meeting.

3. The Chairman, SECOM or  will be contacted to obtain a "script." Unless there are other items raised for discussion, a pre-SECOM does not appear necessary.

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Attachment

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12 APR 1983

MEMORANDUM FOR: Chief, Policy and Plans Group

FROM:

Policy and Plans Group

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SUBJECT: SECOM Compartmentation Subcommittee -  
DCID 1/7

REFERENCE: Compartmentation Subcommittee Memorandum  
of 6 April 1983, with Attachments

1. Our previous position on the matter at issue was limited to agreement with the Chairman, SECOM's notion to refer the matter of waivers for Federal Contract Research Centers (FCRCs) to the Compartmentation Subcommittee to draft proposed policy. Our agreement was tacit; we had no "serious objections" to the idea and forwarded no memorandum to that effect. In taking this approach we agreed with the idea of Community study and neither endorsed nor rejected any of the options that could be presented as policy. They are:

- ° Adding to the DCID a general waiver for FCRCs identical to that written in for Government-Owned, Contractor-Operated (GOCO) laboratories.

- ° Restrict waivers to GOCOs and shut out FCRCs either by specifically excluding FCRCs or leaving the DCID unchanged. If the latter approach is taken, previous SECOM action that granted the Institute for Defense Analysis (IDA) a waiver would have to be reconsidered. If the waiver for IDA stands, we are back to the point where we started; i.e., every request for a waiver for an FCRC would have to be submitted to and voted upon by the SECOM.

2. The C/SSC has indicated waivers or the lack of them would impact on DoD rather than the Agency. We have contracts with some FCRCs, but can live with a non-waiver policy, if necessary. Under these circumstances, the Agency can act as a neutral observer (in terms of equity) interested only in an objective analysis of risk.

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3. My feeling at this point is that we do not have enough information to take a firm position. We do not know how many FCRCs would be involved, nor can we measure if the DIA request is motivated by convenience or an onerous requirement. We do not know whether or not the SECOM can expect future requests for exceptions and, if requests are submitted, how many. In brief, we have not heard the arguments for or against waivers for FCRCs from those most concerned.

4. Notwithstanding the above, the exclusion of waivers for FCRCs is attractive because it limits dissemination of intelligence information without our approval and would be definitive in shutting off future requests for waivers and attendant time consuming debate as SECOM action items. It is recommended the CIA representative to the Compartmentation Subcommittee oppose waivers for FCRCs, including that existing for IDA. This recommendation is made with the understanding that we have no great problem if the vote goes the other way, and that we would not insist on SECOM consideration of a minority opinion.

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